UNITED STATES PATENT AND TRADEMARK OFFICE

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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

PTOL-90A (Rev. 04/07)

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) OR THIRTY (30) DAYS,
WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed
  after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
  Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any
  earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) ☒ Responsive to communication(s) filed on <u>06 October 2009</u>.

2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.

3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is
closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) ☒ Claim(s) <u>9,10,18-21 and 35</u> is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5) ☐ Claim(s) _____ is/are allowed.

6) ☒ Claim(s) <u>9, 10, 18-21, 35</u> is/are rejected.

7) ☐ Claim(s) _____ is/are objected to.

8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) ☐ The specification is objected to by the Examiner.

10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a) ☐ All b) ☐ Some * c) ☐ None of:

      1. ☐ Certified copies of the priority documents have been received.

      2. ☐ Certified copies of the priority documents have been received in Application No. _____.

      3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage
         application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)

2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3) ☐ Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____.

4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.

5) ☐ Notice of Informal Patent Application

6) ☐ Other: _____.

DETAILED ACTION

1.   Applicant's 10/06/2009 response to the previous Office action mailed 6/9/2009 has been

considered and entered. An action on the merits of pending claims 9, 10, 18-21 and 35 follows.

Claim Objections

2.   **Claims 9, 10, 21 and 35 are objected to because of the following informalities:**

        A.   Claims 9 and 35 contain the abbreviations SIM and SMS. Each abbreviation must

        be spelled out the first time it is set forth within the claim. For Examination purposes the

        Examiner construes SIM to mean Subscriber Information Module per the specification as

        filed, Para [037], and SMS to mean Short Message Service per the specification as filed,

        Para [035].

        B.   Claims 9, 10 and 21 contain improper grammatical expressions, i.e. "an SIM ID",

        "an SMS", whereas claim 35 recites "a SIM ID"

3.   Appropriate correction is required.

Response to Arguments

4.   Applicant's arguments with regard to the 35 USC 103 rejection set forth in section 6 of

the previous Office action have been fully considered but they are not persuasive.   As set forth

more fully below, the Examiner has rephrased the rejection in an attempt to clarify how APA

reads on the claimed invention.

Claim Rejections - 35 USC § 103

5.   The text of those sections of Title 35, U.S. Code not included in this action can be found

in a prior Office action.

6.   **Claims 9, 10, 18-21 and 35 are rejected under 35 U.S.C. 103(a) as being**

unpatentable over APA in view of US20010016835A1 to Hansmann et al. (Hansmann) and

further in view of case law.

        Regarding claims 9 and 35, APA clearly discloses in the specification as filed,,

        paragraphs [003]-[014] a method for conducting an electronic financial transaction over a

        network using a transaction device [003], the method comprising:

                initializing a merchant account to allow a particular merchant to make electronic

        financial transaction requests [005], the merchant account being initialized by:

                        operatively connecting (reads on electronically accessing or physically

                soldering in the memory chip) a storage device associated with the particular

                merchant with a transaction device [006] the phrase "encoded with the merchants

                account information" requires a storage device to receive the encoding,

                        porting a merchant ID number from the removable transaction storage

                device to the transaction device [006]: and

                        sending a message to an acquirer to initialize the merchant account,

                including sending [006] "unique identification number" as merchant identifying

                information such that the acquirer can associate the particular merchant with the

                merchant identifying information in a merchant account database; and

receiving an electronic financial transaction request to authorize payment for a

particular payer from the transaction device over the network, the electronic financial

transaction request including merchant identifying information and transaction data

acquired from the payer associated with the electronic financial transaction [008], the

electronic financial transaction request having been generated by:

operatively (electrically) connecting the transaction storage device with

the transaction device, the transaction storage device containing merchant

identifying information in the form of a merchant ID number for the particular

merchant stored thereon that can be ported to the transaction device,

porting the merchant identifying information in the form of a merchant

identification number from the transaction storage device to the transaction device

[008];

generating the electronic financial transaction request using the merchant

identifying information and the transaction data;

accessing the merchant account database having information specifying a

plurality of merchant accounts, each of the plurality of merchant accounts having

merchant identifying information in the form of a merchant identification number

associated therewith[008]; and

associating the electronic transaction request with one of the plurality of

merchant accounts by comparing the merchant identifying information in the form

of a merchant identification number received in the electronic transaction request

with merchant identifying information associated with each of the plurality of
merchant accounts in the merchant account database [008].

APA does not appear to expressly disclose:

        a.   that the transaction device is a cellular telephone,

        b.   the use of a SIM (Subscriber Information Module),

        c.   sending SMS (Short Message Service) messages, and

        d.   wherein the transaction device is not permanently

programmed to initiate transactions for the particular merchant such that
the transaction device can be used to conduct financial transactions on
behalf of any number of merchants upon being operatively connected to
one of any number of removable transaction storage devices;

Resort may be had to, for example, paragraphs [007] and [011] to disclose
some POS (Point Of Sail) transaction devices are wireless and battery operated
and that they can be configured for multiple merchant accounts. Further resort
may be had to, for example, [035] to show that a cell phone is nothing more than
an alternative to a POS terminal. See also paragraphs [036]- [038] for additional
limitations regarding APA, i.e. cell phones have SIM cards, networks, messages,
etc.

Hansmann teaches using cellular phones as POS devices and discloses
SIM and SMS in, for example, the Abstract, Col. 1, line 5 through Col 2, line 60,
Claim 1, etc.

At the time of the invention it would have been obvious to one of ordinary

skill in the art to use a cell phone as the POS device. One would have been

motivated to use a cell phone as a POS device because of the easy access and

relatively low cost of cell phones as well as the desire to reduce the number of

electronic gadgets a person must carry. Again, per paragraph [007], some POS

terminals are wireless and battery operated, just like cell phones.

APA as modified above does not appear to explicitly disclose wherein the

transaction device is not permanently programmed to initiate transactions for the

particular merchant such that the transaction device can be used to conduct

financial transactions on behalf of any number of merchants upon being

operatively connected to one of any number of removable transaction storage

devices. APA [008] DOES however disclose that it is known for POS devices to

be programmed for multiple users and it is considered that the old POS terminals

are not "permanently" programmed because they can be reprogrammed for other

merchants when they are returned to the issuer.

The following case law citations are pertinent as explained below.

In re Dulberg, 129 USPQ 348, (CCPA 1961)
    It has been held that constructing a formerly integral structure in various
    elements involves only routine skill in the art

In re Lindberg, 93 USPQ 23 (CCPA)
    It is not regarded as inventive to merely make an old device portable or
    movable without producing any new and unexpected result

APA as modified discloses a cell phone being used as a POS device with

identifiable data being stored in the SIM (Just as typical POS devices store data in

resident memory). At the time of the invention it would have been obvious to one of

ordinary skill in the art to make the SIM removable for the benefit of, for example,

enhanced security (Hansmann, Col. 1, lines 18-32), portability, etc. as such would only

require routine skill in the art. Making the SIM removable would allow other users with

SIM's to utilize the device in the same manner as the original user, just as multiple

people can use the same ATM. Again, there is no novelty in moving the authorization

credentials/information from one location to another, or of making the information

removable from a device.

Regarding claim 10 and the limitation wherein the transaction device receives the

merchant identifying information in the form of an SIM ID number and the transaction

information on a per transaction basis see, for example, the specification as filed

paragraph [008].

Regarding claim 18 and the limitation wherein at least some of the transaction data is

generated by the transaction device upon selection of a menu item from a menu on the

transaction device see, for example, the specification as filed paragraph [008].

Regarding claim 19 and the limitation wherein the transaction device generates at least

some of the transaction data by receiving said at least some of the transaction data from a

card reader see, for example, the specification as filed paragraph [008].

Regarding claim 20 and the limitation wherein, wherein the transaction data comprises a credit card number, a credit card expiration date, and an amount see, for example, the specification as filed paragraph [008].

Regarding claim 21 and the limitation wherein a plurality of external devices communicate with the transaction device through a wireless connection, each of the external devices being capable of transmitting merchant identifying information in the form of an SIM ID number and transaction data to the transaction device through the wireless connection see, for example, the specification as filed paragraph [011] wherein multiple merchant accounts use the same terminal.

7.   **Claims 9, 10, 18-21 and 35 are rejected under 35 U.S.C. 103(a) as being unpatentable over WO0245278A2 to Petigny in view of US2002/0187170A1 to Adam et al. (Adam).**

Regarding claims 9 and 35, Petigny teaches a method for conducting an electronic financial transaction over a network using a transaction device, the method comprising:

        initializing a merchant account to allow a particular merchant to make electronic financial transaction requests, the merchant account being initialized by:

                operatively connecting a removable transaction storage device associated with the particular merchant with a transaction device (Page 14, lines 15+):

                porting an ID number from the removable transaction storage device to the transaction device (merchant card): and

sending a message to an acquirer to initialize the merchant account, including sending a ID number as merchant identifying information such that the acquirer can associate the particular merchant with the merchant identifying information in a merchant account database; and

receiving an electronic financial transaction request to authorize payment for a particular payer from the transaction device over the network, the electronic financial transaction request including merchant identifying information and transaction data acquired from the payer associated with the electronic financial transaction, the electronic financial transaction request having been generated by:

operatively connecting the removable transaction storage device with the transaction device, the removable transaction storage device containing merchant identifying information in the form of an ID number for the particular merchant stored thereon that can be selectively ported to the transaction device, wherein the transaction device is not permanently programmed to initiate transactions for the particular merchant such that the transaction device can be used to conduct financial transactions on behalf of any number of merchants upon being operatively connected to one of any number of removable transaction storage devices;

porting the merchant identifying information in the form of an ID number from the removable transaction storage device to the transaction device;

generating the electronic financial transaction request using the merchant identifying information and the transaction data;

accessing the merchant account database having information specifying a

plurality of merchant accounts, each of the plurality of merchant accounts having

merchant identifying information in the form of an ID number associated

therewith; and

associating the electronic transaction request with one of the plurality of

merchant accounts by comparing the merchant identifying information in the form

of an ID number received in the electronic transaction request with merchant

identifying information associated with each of the plurality of merchant accounts

in the merchant account database in for example, the abstract, Figures 1, 4, 7, 8, 9

and associated descriptive texts, page 7, lines 12+, page 8, lines22-28, page 14,

lines 29+, etc.

~~~~~~~~~~ at payment device reader 12 in conjunction with the checking of the merchant

identification information. Again, the merchant identification information may be pre-

30   programmed into the POS or transmitted when the buy, sell or other funds transfer commands

are executed, it may be extracted from a merchant card that is swiped through the POS, or it may

Petigny does not appear to expressly disclose that the transaction device is

a cellular telephone, the use of a SIM (Subscriber Information Module) ID, and

sending SMS (Short Message Service) messages.

Adam teaches the use of a cell phone to effectuate financial transactions

in, for example, the figures, paragraphs [0003]-[0006], Claims 1, 4 (SIM Card), 6

(SMS protocol), 45, etc.

At the time of the invention it would have been obvious to one of ordinary

skill in the art to modify Petigny with the teachings of Adam to arrive at a

transaction device that is a cell phone using typical authentication methods including the SIM card and messaging protocols. Note how Petigny teaches discrete merchant information cards swiped through the transaction device.

Regarding claim 10 and the limitation wherein the transaction device receives the merchant identifying information in the form of an ID number and the transaction information on a per transaction basis see, for example, Petigny, page 7, lines 17+.

Regarding claim 18 and the limitation wherein at least some of the transaction data is generated by the transaction device upon selection of a menu item from a menu on the transaction device see, for example, Petigny, page 7, lines 20-21 wherein preprogrammed buttons connote a menu.

Regarding claim 19 and the limitation wherein the transaction device generates at least some of the transaction data by receiving said at least some of the transaction data from a card reader see, for example, Petigny, page 6, lines 12+.

Regarding claim 20 and the limitation wherein, wherein the transaction data comprises a credit card number, a credit card expiration date, and an amount see, for example, Petigny, page 6, lines 12+.

Regarding claim 21 and the limitation wherein a plurality of external devices

communicate with the transaction device through a wireless connection, each of the

external devices being capable of transmitting merchant identifying information in the

form of an ID number and transaction data to the transaction device through the wireless

connection see, for example, page 8, lines 22-29.

Conclusion

8.   Applicant's amendment necessitated the new ground(s) of rejection presented in this

Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a).

Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

9.   A shortened statutory period for reply to this final action is set to expire THREE

MONTHS from the mailing date of this action. In the event a first reply is filed within TWO

MONTHS of the mailing date of this final action and the advisory action is not mailed until after

the end of the THREE-MONTH shortened statutory period, then the shortened statutory period

will expire on the date the advisory action is mailed, and any extension fee pursuant to 37

CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event,

however, will the statutory period for reply expire later than SIX MONTHS from the date of this

final action.

10.   Any inquiry concerning this communication or earlier communications from the

examiner should be directed to DANIEL L. GREENE JR. whose telephone number is (571)272-

6876. The examiner can normally be reached on Mon-Thur.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's

supervisor, James P. Trammell can be reached on (571) 272-6712. The fax phone number for

the organization where this application or proceeding is assigned is 571-273-8300.

11.   Information regarding the status of an application may be obtained from the Patent

Application Information Retrieval (PAIR) system. Status information for published applications

may be obtained from either Private PAIR or Public PAIR. Status information for unpublished

applications is available through Private PAIR only. For more information about the PAIR

system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR

system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would

like assistance from a USPTO Customer Service Representative or access to the automated

information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/D. L. G./
Examiner, Art Unit 3694
2010-01-02
/James P Trammell/
Supervisory Patent Examiner, Art Unit 3694